



DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-884]

Glycine from India: Preliminary Results of Countervailing Duty Administrative Review; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of glycine from India for the period of review (POR) September 4, 2018, through December 31, 2019. The preliminary net subsidy rates are listed below in the section titled “Preliminary Results of Administrative Review.” Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Davina Friedmann, AD/CVD Operations, Office VI, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0698.

SUPPLEMENTARY INFORMATION:

Background

On August 6, 2020, Commerce published a notice of initiation of administrative review of the countervailing duty order on glycine from India.¹ On March 2, 2021, Commerce extended the deadline for issuing the preliminary results of review.² The revised deadline for these preliminary results of review is now June 30, 2021.

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 47731 (August 6, 2020).

² See Memorandum, “Glycine from India: Extension of Time Limit for Preliminary Results,” dated March 2, 2021.

For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.³ A list of topics discussed in the Preliminary Decision Memorandum is included at Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <http://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>.

Scope of the Order

The merchandise covered by the order is glycine from India. For a complete description of the scope of the order, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable, we preliminarily determine that there is a subsidy, *i.e.*, a financial contribution that gives rise to a benefit to the recipient, and the subsidy is specific.⁴ For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum.

On June 11, 2021, we initiated an investigation of newly alleged subsidy programs.⁵ Because we did not receive information from the Government of India, Avid Organics Private Limited (Avid), or Kumar Industries (India) (Kumar) related to the new subsidy programs in time to evaluate them for purposes of these preliminary results of review, we intend to issue post-preliminary review results that incorporate these programs.⁶

Companies Not Selected for Individual Review

³ *See* Memorandum, "Decision Memorandum for the Affirmative Preliminary Determination: First Administrative Review of Glycine from India," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁴ *See* sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁵ *See* Memorandum, "Administrative Review of the Countervailing Duty Order on Glycine from India; 2018-2019, New Subsidy Allegations," dated June 17, 2021.

⁶ *See* Preliminary Decision Memorandum.

For companies not selected for individual review, because the 2019 subsidy rates calculated for Avid and Kumar were above *de minimis* and not based on facts available, we have preliminarily calculated a subsidy rate based on a weighted-average of the subsidy rates calculated for Avid and Kumar using publicly ranged sales data submitted by respondents.⁷ For 2018, we preliminarily assigned to the companies not individually examined a subsidy rate of 3.58 percent, which is the 2018 subsidy rate calculated for Avid for these preliminary results of review.⁸ This methodology for establishing the subsidy rate for the non-selected companies is consistent with our practice and with section 705(c)(5)(A) of the Act. For additional information, *see* the Preliminary Decision Memorandum.

Preliminary Results of Administrative Review

In accordance with 19 CFR 351.221(b)(4), we determine the following preliminary net subsidy rates for the 2018-2019 administrative review:

Company	2018 Subsidy Rate (percent <i>ad valorem</i>)	2019 Subsidy Rate (percent <i>ad valorem</i>)
Avid Organics Private Limited ⁹	3.92	4.38
Kumar Industries (India) ¹⁰	0.00 ¹¹	3.72
Mulji Mehta Enterprises	3.92	4.01
Mulji Mehta Pharma	3.92	4.01
Paras Intermediates Private Limited	3.92	4.01
Studio Disrupt	3.92	4.01

Assessment Rates

Consistent with section 751(a)(2)(C) of the Act, upon issuance of the final results, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, countervailing duties on all appropriate entries covered by this review. Commerce intends to issue

⁷ See Memorandum, “Calculation of Subsidy Rate for Non-Selected Companies,” dated June 30, 2021.

⁸ See Memorandum, “Preliminary Results of the First Administrative Review of Glycine from India: Calculation of Derivative Rate for Non-Selected Companies,” dated June 30, 2021.

⁹ In this review, we preliminarily determine that Avid is cross owned with Avid Intermediates. See Preliminary Decision Memorandum for further discussion.

¹⁰ In this review, we preliminarily determine that Kumar is cross owned with Rudraa International and Advance Chemical Corporation. See Preliminary Decision Memorandum and Kumar Preliminary Calculation Memorandum for further discussion.

¹¹ Kumar reported that it received no subsidies during the 2018 calendar year, from programs under review or any other subsidies.

assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

Cash Deposit Requirements

In accordance with section 751(a)(1) of the Act, Commerce intends to instruct CBP to collect cash deposits of estimated countervailing duties in the amounts shown for 2019 for each of the companies listed above with regard to the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure and Public Comment

We will disclose to parties of this proceeding the calculations performed in reaching the preliminary results within five days of the date of publication of these preliminary results.¹²

As a result of the Department's intention to release a post-preliminary analysis memorandum, interested parties may submit case briefs on both the preliminary results and on the post-preliminary analysis memorandum no later than seven days after the disclosure of the calculations performed in connection with the post-preliminary analysis memorandum.¹³ Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the date for filing case briefs.^{14, 15} Parties who submit arguments are requested to submit with the argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹⁶

¹² See 19 CFR 351.224(b).

¹³ See 19 CFR 351.309(c)(2).

¹⁴ See 19 CFR 351.309(d).

¹⁵ See 19 CFR 351.309(c)(1)(ii) and 351.309(d)(1); see also *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020) (*Temporary Rule*).

¹⁶ See 19 CFR 351.309(c)(2) and 351.309(d)(2).

Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until further notice.¹⁷

Interested parties who wish to request a hearing must do so within 30 days of publication of these preliminary results by submitting a written request to the Assistant Secretary for Enforcement and Compliance using Enforcement and Compliance's ACCESS system.¹⁸ Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs.¹⁹ If a request for a hearing is made, Commerce intends to hold the hearing at a time and date to be determined. Parties should confirm the date and time of the hearing two days before the scheduled date. Parties are reminded that all briefs and hearing requests must be filed electronically using ACCESS and received successfully in their entirety by 5:00 p.m. Eastern Time on the due date.

Unless the deadline is extended pursuant to section 751(a)(3)(A) of the Act, Commerce intends to issue the final results of this administrative review, including the result of our analysis of the issues raised by the parties in their comments, no later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act and 19 CFR 351.213(h), unless this deadline is extended.

Administrative Protective Order

This notice serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of return or destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

¹⁷ See *Temporary Rule*.

¹⁸ See 19 CFR 351.310(c).

¹⁹ See 19 CFR 351.310.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, and 19 CFR 351.213.

Dated: June 30, 2021.

Christian Marsh,
Acting Assistant Secretary for Enforcement and Compliance.

Appendix

List of Topics Discussed in the Preliminary Memorandum

- I. Summary
- II. Background
- III. Period of Review
- IV. Rate for Non-Examined Companies
- V. Subsidies Valuation
- VI. Loan Benchmarks and Discount Rates
- VII. Analysis of Programs
- VIII. Recommendation

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